

LEASE

THIS LEASE is made and entered into this 1st day of September, 1998, by and between WIL-O-MAC, INC., a Michigan corporation, EDWARD H. MC NAMARA and LUCILLE Y. MC NAMARA, his wife, ROBERT E. OSBORN and SHARON E. OSBORN, his wife, and HAZEN J. WILSON and MARGARETA A. WILSON, his wife (hereinafter referred to as "Landlord") and GBGC FAMILY GOLF CENTERS, INC. (hereinafter referred to as "Tenant").

WITNESSETH

1. **Description of Premises:** Landlord hereby demises and leases to Tenant, and Tenant hereby hires and takes from Landlord, for the term and upon the rentals hereinafter specified, the following-described premises, which is used as a portion of a Par-3 golf course, together with a single family residence and a pole barn located at 15760 Haggerty Road, Northville Township, Michigan:

SEE EXHIBIT A ATTACHED HERETO FOR DESCRIPTION

2. **Term:** The term of his Lease shall be month to month commencing on September 1, 1998.

3. **Rent:** The rent for the premises shall be THREE THOUSAND DOLLARS (\$3,000.) for each month, payable on the first day of each month.

All payments of rent and additional rent shall be paid to WIL-O-MAC, INC., 49715 Seven Mile Road, Northville, Michigan 48167, or as may be otherwise directed by Landlord in writing.

4. **Peaceful Possession:** Landlord covenants that Tenant, on paying said rental and performing the conditions and covenants contained in this Lease, shall and may peaceably and quietly have, hold and enjoy the Premises for the term aforesaid, and at the end or other expiration of the term shall deliver up the Premises in good order or condition, damage by the elements excepted.

5. **Purpose:** Tenant covenants and agrees to take good care of the Premises and to use the Premises only in the operation of the regulation Par-3 golf course presently existing on the Premises, and agrees not to use or permit the Premises or any part thereof to be used for any other purpose without the prior written consent of Landlord.

6. **Compliance with Laws:** Tenant, at its own cost and expense, shall promptly comply with all laws, orders and regulations of federal, state, county, municipal and township authorities and with any direction of any public officer or officers pursuant to the law which shall impose any violations, order or duty upon Landlord or Tenant with respect to the Premises or the use and occupation thereof as part of the operation of the golf course business.

7. **Subletting and Assignment:** Tenant shall not sublet the Premises or any portion thereof, nor shall this Lease be assigned by Tenant without the prior written consent of Landlord which shall not be unreasonably withheld. A transfer of a majority of beneficial interest in Tenant, merger, consolidation, conversion or any other transaction which by operation of law vests the interest of Tenant in another person, and any event or transaction by virtue of which any entity shall cease to qualify as an Affiliate shall be deemed to be an assignment of this Lease. Owner's consent shall not be required for an assignment or sublease to an Affiliate or Purchaser (as such terms are defined below), provided that at the time of such transaction Tenant is not in default under this Lease after expiration of any applicable time period, Owner is furnished a copy of the assignment or other instrument of transfer and all material details of the transaction including evidence of the Affiliate relationship.

For purposes of this paragraph, an "Affiliate" shall mean an entity controlled by controlling, or under common control with, Tenant and "Purchaser" shall mean an entity that succeeds to the business conducted by Tenant in the Premises, by purchase, merger or otherwise.

8. **Default:** If Tenant shall default in any of the terms and conditions of this Lease or if the golf course is not kept in good operating condition, or if Tenant shall abandon the Premises, then in any one or more of such events, upon Landlord serving a written two (2) weeks' notice upon Tenant specifying the nature of said default, and upon expiration of said two (2) weeks' notice, if Tenant shall have failed to comply with or remedy said default, or if said default cannot be completely cured or remedied within said two (2) weeks, and if Tenant has not diligently commenced curing said default within such two week period and shall not with reasonable diligence and in good faith proceed to remedy said default, Landlord may serve a two (2) weeks' notice of cancellation of this Lease upon Tenant and upon expiration thereof, this Lease and the term thereunder shall end and expire as fully and completely as if the date of expiration of such two-week period were the day fixed in this Lease for the end and expiration of this Lease, and Tenant shall then quit and surrender the Premises to Landlord.

If Tenant shall make default in the payment of the rent herein provided or any item of additional rent herein mentioned or any part of either, or in making any other payment herein provided, then Landlord may, upon two (2) weeks' written notice, and if such rent or additional rent is not paid within such two week period, reenter the golf course premises and dispossess Tenant by summary proceedings or otherwise and remove Tenant's effects and hold the Premises as if this Lease had not been made.

9. **Improvements, Alterations and Repairs:** Tenant has examined the Premises and accepts them in their present condition. Tenant shall keep the Premises in good condition and make repairs to and paint those structures used by the Tenant thereon as may be found necessary to keep them in good appearance, at its expense. At the end of the term, Tenant shall quit and surrender the Premises in as good condition as the reasonable use thereof will permit, and shall not make any major alterations, additions or improvements to said Premises without the prior written consent of Landlord, which shall not be unreasonably withheld. The following items, however, shall require no consent from the Landlord: (a) repair and improvement of all tees; (b) repair and sand traps and

addition of sand if required; (c) fertilizing and seeding of all fairways; (d) fertilizing greens and installation of new flagpoles; and (e) installation of new tee benches, markers and ball washers.

All erections, alterations, additions and improvements, whether temporary or permanent in character, which may be made upon the Premises either by Tenant, except movable trade fixtures installed at the expense of Tenant, shall be the property of Landlord and shall remain upon and be surrendered with the Premises as part thereof at the termination of this Lease, without compensation to Tenant. Tenant further agrees to keep the Premises and all parts thereof in a clean and sanitary condition, free from inflammable materials and trash.

10. **Construction Liens:** In the event that any construction lien is filed against the Premises as a result of alterations, additions or improvements made by Tenant, Landlord, at its option after two (2) weeks' written notice to Tenant may pay the said lien, without inquiring into the validity thereof, and Tenant shall forthwith reimburse Landlord the total expense incurred by Landlord in discharging said lien as additional rent hereunder.

11. **Liability of Landlord:** Landlord shall not be responsible for the loss of or damage to property, or injury to persons, occurring in and about the Premises by reason of any existing or future condition, defect, matter or thing in said Premises or the property of which the Premises are a part, or for the acts, omissions or negligence of other persons in and about said property.

12. **Liability Insurance:** Tenant agrees to indemnify Landlord from all claims and liability for losses of or damage to property or injuries to persons occurring in or about the Premises, during the term of this Lease. Tenant shall add Landlord as an additional insured to its existing liability insurance, covering Tenant and Landlord against any and all action or actions, suits, damages, loss, claims and judgments arising out of any and all injuries which may be suffered by persons lawfully using said golf course and/or the residence and the pole barn. A certificate of said insurance shall be furnished to Landlord.

13. **Fire Insurance:** Tenant shall procure and pay for fire insurance covering all buildings and structures, residence and pole barn owned by Landlord and used in the operation of the golf course during the terms of this Lease.

14. **Waiver:** Failure of Landlord to seek redress for violations of, or to insist upon the strict performance of, any covenants or conditions of this Lease and any and all extensions and renewals hereof shall not prevent a subsequent act which would have originally constituted a violation from having the force and effect of an original violation. The receipt by Landlord of rent with knowledge of the breach of any covenant of the Lease shall not be deemed a waiver of such breach; provided that the provisions of Section 8 of this Lease are complied with. No provision of this Lease or any of the agreements covering the rental of the golf course real property shall be deemed to have been waived by Landlord or Tenant unless such waiver be in writing and signed by Landlord or Tenant, as the case may be.

15. **Golf Course Name:** Tenant shall use the name "OASIS PAR-3 GOLF COURSE" only in connection with the operation of the golf course during the term of the Lease and all extensions and renewals thereof.

16. **Utilities: Utility Meters:** Landlord shall be under no obligation to supply water, heat, light and power to the Premises. All present meters covering the use of electricity, gas and water, pertaining to the operation of the golf course, shall be transferred to the name of Tenant, who shall assume and pay all such meter charges before any penalty or interest attaches.

17. **Taxes and Other Governmental Charges:**

(a) Tenant shall not be responsible for the payment of any general taxes, special taxes or special assessments levied or assessed against or with respect to the Premises during the term of this Lease. Tenant shall pay, before any penalty or interest attaches, all sewer service charges and other like governmental charges levied or assessed against or with respect to the Premises.

(b) Tenant shall pay, before any penalty or interest attaches, all personal property taxes levied or assessed against the personal property of Tenant located upon the Premises, and shall, upon written request, furnish to Landlord duplicate receipts thereof.

18. **Inspection by Landlord:** Landlord shall have the privilege of inspecting the Premises during the duration of the Lease and any and all extensions and renewals thereof during all reasonable business hours.

19. **Bankruptcy:** If at any time during the term of this Lease Tenant shall make any assignment for the benefit of creditors, or be decreed insolvent or bankrupt according to law, or if a receiver shall be appointed for Tenant, then Landlord may, at its option, to the extent permitted by law, terminate this Lease, exercise of such option to be evidenced by notice to that effect served upon the assignee, receiver, trustee or other person in charge of the liquidation of the property of Tenant, but such termination shall not relieve or discharge any payment of rent payable hereunder and then accrued, or any liability then accrued by reason of any agreement or covenant herein contained on the part of Tenant or Tenant's legal representative.

20. **Eminent Domain:** If all or any part of the Premises shall be taken or condemned by any competent authority for any public use or purpose, or if any adjacent property or street shall be condemned or improved in a manner that requires the use of any part of the Premises, the term of this Lease shall, at the option of Landlord, terminate as of the date of the actual taking, without apportionment to Tenant of any portion of the award of damages. Otherwise, this Lease shall remain in full force and effect without apportionment to Tenant of any portion of the award or damages.

In the event of a termination pursuant to this Section 20, current rent and additional rent shall be apportioned to the date of such taking. If the leasehold interest vested in Tenant by this Lease shall be condemned or taken in any manner, Landlord's obligations under the Lease shall terminate as of the date of the condemnation or taking.

21. **Exclusivity:** The foregoing rights and remedies are not intended to be exclusive, but in addition to all rights and remedies Landlord would otherwise have by law.

22. **Binding Effect:** All of the terms and conditions of this Lease shall inure to the benefit of and be binding upon the respective heirs, executors, successors and assigns of Tenant and Landlord.

23. **Cancellation:** Either party may terminate this Lease Agreement upon thirty (30) days prior written notice to the other party.

IN WITNESS WHEREOF, the parties have caused this Lease to be executed as of the date first above written.

TENANT:
GBGC FAMILY GOLF CENTERS,
INC., a Florida corporation

LANDLORD:
WIL-O-MAC, INC., a Michigan corporation

By: _____
Name: Robert J. Krause
Title: Senior Vice President

By: _____
Name: HAZEN J. WILSON
Title: Pres.

EDWARD H. MC NAMARA

LUCILLE Y. MC NAMARA

ROBERT E. OSBORN

SHARON E. OSBORN

HAZEN J. WILSON

MARGARET A. WILSON

February 23, 2000

GBGC Family Golf Centers
c/o Family Golf Centers, Inc.
538 Broad Hollow Road
Melville, NY 11747

Re: The Golden Bear Golf Centers, Inc. at Oasis
39500 Five Mile Road
Northville Twp., Michigan

Ladies & Gentlemen:

The Landlord's interest in your month to month Lease of 15760 Haggerty Road, dated September 1, 1998, has been assigned to S-B Haggerty, Inc. Effective immediately, you should send your monthly rent to the new landlord at 30100 Telegraph, Suite 366, Bingham Farms, MI 48025.

Sincerely,

Edward H. McNamara /
Agent for Edward & Lucille McNamara, Robert &
Sharon Osborn, Hazen and Margaret Wilson
and Wil-O-Mac, Inc.